

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

BIG LOTS, INC., *et al.*,

Debtors.¹

Chapter 11

Case No. 24-11967 (JKS)

(Jointly Administered)

Hearing Date: January 21, 2025 at 1:00 p.m.

Objection Deadline: January 14, 2025 at 4:00 p.m.

**THE FIFTH/GRAND OHIO LANDLORD'S MOTION TO COMPEL
IMMEDIATE PAYMENT STUB RENT IN ACCORDANCE
WITH BANKRUPTCY CODE § 503(b)**

Fifth/Grand Holdings, LLC (the “Fifth/Grand Ohio Landlord” or the “Landlord”) moves the Court to compel immediate payment of Stub Rent in accordance with 11 U.S.C. § 503(b) (“§ 503(b)”) with respect to the West Fifth Avenue, Columbus, Ohio Store (as those terms are defined below) and in support thereof respectfully states as follows:

JURISDICTION

1. This Court has jurisdiction over this Motion in accordance with 28 U.S.C. §§ 157 and 1334. This Motion is a core proceeding in accordance with 28 U.S.C. § 157(b)(2)(A), (B), (M) and (O). Venue is proper in accordance with 28 U.S.C. §§ 1408 and 1409.

¹ The debtors and debtors in possession in these chapter 11 cases, along with the last four digits of their respective employer identification numbers, are as follows: Great Basin, LLC (6158); Big Lots, Inc. (9097); Big Lots Management, LLC (7948); Consolidated Property Holdings, LLC (0984); Broyhill LLC (7868); Big Lots Stores – PNS, LLC (5262); Big Lots Stores, LLC (6811); BLBO Tenant, LLC (0552); Big Lots Stores – CSR, LLC (6182); CSC Distribution LLC (8785); Closeout Distribution, LLC (0309); Durant DC, LLC (2033); AVDC, LLC (3400); GAFDC LLC (8673); PAFDC LLC (2377); WAFDC, LLC (6163); INFDC, LLC (2820); Big Lots eCommerce LLC (9612); and Big Lots F&S, LLC (3277). The address of the debtors’ corporate headquarters is 4900 E. Dublin-Granville Road, Columbus, OH 43081

2. The statutory bases for the relief requested in this Motion are Bankruptcy Code (11 U.S.C. §§ 101 et seq.) §§ 105, 503 and 365.

RELEVANT FACTS

3. The Landlord is the lessor of Big Lots Store # 5356, located on West Fifth Avenue, Columbus, Ohio (the “Store”) pursuant to an unexpired written non-residential real property lease agreement between the Landlord and Big Lot Stores-CSR, LLC (the “Tenant”) (as amended from time to time, the “Lease”). The Lease is voluminous and may contain confidential or proprietary information. Further, the Landlord believes that the Debtors have a copy of the Lease. Therefore, the Lease is not attached to this Motion; however, a copy of the Lease is available upon request.

4. Big Lots, Inc. and its affiliated Debtors (including the Tenant) filed for Chapter 11 relief on September 9, 2024 (the “Petition Date”).

5. Since the Petition Date, the Debtors continued to occupy and receive the benefits from the use of the Store until December 31, 2024.

6. The Lease has been rejected effective December 31, 2024.

7. The Debtors have not paid rent for the period from the Petition Date through September 30, 2024 (the “Stub Rent”). The Stub Rent due is \$29,232.23.

RELIEF REQUESTED

8. Bankruptcy Code §§503 (a) and (b) allow a party to request payment of an administrative expense for the “... actual, necessary costs and expenses of preserving the estate...” Accordingly, a landlord is entitled to payment of an administrative expense for a debtor/tenant’s post-petition use and occupancy of a leased property. *In re Goody’s Family Clothing Inc.*, 392 B.R. 604 (Bankr. D. Del. 2008), aff’d, 610 F.3d 812 (3rd Cir. 2010).

9. The Landlord filed a Motion to Compel Payment of Stub Rent on October 17, 2024 (D.I. 541).

10. Thereafter, Paragraph 14(a) of the *Final Order Under Bankruptcy Code Authorizing Debtors to (A) Obtain Postpetition Financing ...* (D.I. 584) (the “Final DIP Order”) contemplated payment of Stub Rent to landlords by December 7, 2024.

11. At the Debtors’ request based upon the aforementioned provision negotiated in the Final DIP Order, the Landlord withdrew its motion for payment of Stub Rent without prejudice. However, payment of Stub Rent was never made in accordance with the Final DIP Order.

12. The Debtors are well aware of the unpaid Stub Rent. Further, on December 20, 2024, the Landlord emailed Debtors’ counsel and Alix Partners and demanded, among other things, that the Stub Rent be included in the Debtors’ budget due which was required to be filed by December 26, 2024. Therefore, the amounts due the Landlord should have been budgeted and are immediately payable to the Landlord.

13. From the Petition Date through September 30, 2024, the Debtors had the use and benefit of the Store.

14. Therefore, the Landlord is entitled to immediate payment of Stub Rent (from the funds allocated by GBRP for the Debtors payment of Stub Rent or otherwise), and such other relief to which the Landlord is entitled at law or in equity.

RESERVATION OF RIGHTS

The Landlord reserves all other rights, claims, and interests with respect to Lease, the Store, and any related matters (including, without limitation, to seek attorneys’ fees if further litigation is needed).

WHEREFORE, the Landlord respectfully requests that this Court enter an order (i) compelling the Debtors to immediately pay Stub Rent; and (ii) granting it such other and further relief as is just and proper.

Dated: January 7, 2025
Wilmington, DE 19801

ESBROOK P.C.

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Counsel for the Landlord

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing *Fifth/Grand Ohio Landlord's Motion to Compel Immediate Payment of Post-Petition Rent In Accordance with Bankruptcy Code § 365(d)(3) and Stub Rent in Accordance with Bankruptcy Code § 503(b)* was served electronically on the date of filing, through the Court's ECF System on all ECF participants registered in the case at the email address registered with the Court.

ESBROOK P.C.

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